

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

Pursuant to the authority of Iowa Code section 15.106A, the Economic Development Authority amends Chapter 31, “Economic Development Region Initiatives,” Iowa Administrative Code.

The rules in Chapter 31 describe the Authority’s economic development region initiatives. These amendments update existing rules to amend the definition of an economic development region to allow more flexibility in assembling a region; make changes to the application process; eliminate references to the repealed Grow Iowa Values Fund; and replace references to the Department with references to the Authority.

Notice of Intended Action was published in the Iowa Administrative Bulletin on July 9, 2014, as **ARC 1540C**. No public comment was received on these amendments. These amendments are identical to those published under Notice of Intended Action.

These amendments were adopted by the Economic Development Authority Board on August 22, 2014.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 15E.231 as amended by 2014 Iowa Acts, Senate File 2359.

These amendments will become effective on October 22, 2014.

The following amendments are adopted.

ITEM 1. Strike “81GA,HF868,HF809” wherever it appears in rules **261—31.1(81GA,HF868,HF809)** to **261—31.5(81GA,HF868,HF809)**, **261—31.7(81GA,HF868,HF809)** to **261—31.10(81GA,HF868,HF809)**, and **261—31.12(81GA,HF868,HF809)** to **261—31.18(81GA,HF868,HF809)** and insert “15E” in lieu thereof.

ITEM 2. Amend rule 261—31.1(15E) as follows:

261—31.1(15E) Purpose. ~~Department~~ Authority resources ~~shall~~ may be available to assist an economic development region that has established a focused economic development effort. This effort shall include a regional development plan relating to one or more of the following areas:

1. to 7. No change.
8. Development of the alternative and renewable energy sector.

ITEM 3. Amend rule 261—31.3(15E) as follows:

261—31.3(15E) Financial assistance. ~~For the fiscal year period beginning July 1, 2005, and ending June 30, 2015, \$1 million is made available each fiscal year for the economic development region initiative. 261—subrule 2.4(7) describes how the \$1 million is allocated. Financial assistance under the economic development region initiative comes from the moneys allocated for such purposes by the authority pursuant to Iowa Code section 15.335B.~~

ITEM 4. Amend rule 261—31.4(15E) as follows:

261—31.4(15E) Definitions.

“Economic development region” shall consist of ~~not less than three counties, unless two contiguous counties have a combined population of at least 300,000 based on the most recent federal decennial census~~ three or more contiguous counties or two or more contiguous counties and one or more public or private, nonprofit entities that have entered into an agreement to pursue mutual economic development goals with a regional focus.

“Economic development region assistance fund” means a fund created pursuant to Iowa Code section 15.335B.

“Economic development region revolving fund” means a fund established to benefit development efforts in an economic development region.

“Regional economic development revenue sharing pilot project” means a pilot project for one or more approved regions.

ITEM 5. Strike “grow Iowa values” wherever it appears in rule **261—31.5(15E)** and subrule **31.9(2)** and insert “economic development region assistance” in lieu thereof.

ITEM 6. Rescind rule 261—31.6(81GA, HF868, HF809) and adopt the following **new** rule in lieu thereof:

261—31.6(15E) Application process and approval process.

31.6(1) Application process. The authority will only accept competitive applications submitted during the filing window. For the purpose of this rule, the filing window shall start on July 1 and end on July 15 of any fiscal year in which the authority opens the application process. If July 15 falls on a weekend, the deadline shall be extended to the next business day. The authority has developed an application process and will post all relevant application information on iowagrants.gov.

31.6(2) Approval process. The director of the authority will establish a review committee consisting of the authority’s industry partners. The committee may recommend full or partial funding or no funding of any or all applicants.

ITEM 7. Amend rule 261—31.7(15E) as follows:

261—31.7(15E) Reporting requirements. Award recipients in economic development regions shall provide ~~an annual~~ a close-out report to the ~~department~~ authority outlining how the funds were invested in Iowa’s future. The ~~department~~ authority shall develop the reporting format for all required ~~annual~~ close-out reports.

ITEM 8. Strike “department” wherever it appears in subrule **31.9(1)**, rule **261—31.16(15E)** and subrule **31.17(2)** and insert “authority” in lieu thereof.

ITEM 9. Strike “IDED” wherever it appears in subrule **31.9(1)** and rule **261—31.18(15E)** and insert “the authority” in lieu thereof.

ITEM 10. Rescind rule 261—31.11(81GA, HF868, HF809) and adopt the following **new** rule in lieu thereof:

261—31.11(15E) Application process and approval process.

31.11(1) Application process. The authority will only accept competitive applications submitted during the filing window. For the purpose of this rule, the filing window shall start on July 1 and end on July 15 of any fiscal year in which the authority opens the application process. If July 15 falls on a weekend, the deadline shall be extended to the next business day. The authority has developed an application process and will post all relevant application information on iowagrants.gov.

31.11(2) Approval process. The director of the authority will establish a review committee consisting of the authority’s industry partners. The committee may recommend full or partial funding or no funding of any or all applicants.

ITEM 11. Amend rule 261—31.12(15E) as follows:

261—31.12(15E) Reporting requirements. Award recipients shall provide ~~an annual~~ a close-out report to the ~~department~~ authority outlining how funds were invested in Iowa’s future.

ITEM 12. Amend rule 261—31.13(15E) as follows:

261—31.13(15E) Description and purpose. The ~~department~~ authority may establish and administer a business accelerator program to provide financial assistance for the establishment and operation of a business accelerator for technology-based, value-added agricultural, information solutions, or advanced manufacturing start-up businesses or for a satellite of an existing business

accelerator. The program ~~shall~~ may be designed to foster the accelerated growth of new and existing businesses through the provision of technical assistance.

ITEM 13. Amend rule ~~261—31.15(15E)~~, numbered paragraph “8,” as follows:

8. The business accelerator must possess the willingness to accept referrals from the ~~Iowa department of economic development~~ authority.

ITEM 14. Rescind subrule 31.17(1) and adopt the following new subrule in lieu thereof:

31.17(1) Application process and approval process.

a. Application process. The authority will only accept competitive applications submitted during the filing window. For the purpose of this rule, the filing window shall start on July 1 and end on July 15 of any fiscal year in which the authority opens the application process. If July 15 falls on a weekend, the deadline shall be extended to the next business day. The authority has developed an application process and will post all relevant application information on iowagrants.gov.

b. Approval process. The director of the authority will establish a review committee consisting of the authority’s industry partners. The committee may recommend full or partial funding or no funding of any or all applicants.

ITEM 15. Rescind and reserve rule ~~261—31.19(81GA,HF868,HF809)~~.

ITEM 16. Rescind and reserve rule ~~261—31.20(81GA,HF868,HF809)~~.

ITEM 17. Amend ~~261—Chapter 31~~, implementation sentence, as follows:

These rules are intended to implement 2005 Iowa Acts, House File 868, sections 8, 9, 10, 11 and 12, and House File 809, section 19(6) 2013 Iowa Code sections 15E.231 to 15E.233; 2011 Iowa Acts, chapter 118, section 20; and 2014 Iowa Acts, Senate File 2359.

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